



MINUTES

Committee on Development and Planning

Monday, March 6, 2017 @ 4:00 p.m.

Council Conference Room, City Hall 10th Floor

CALL TO ORDER

Called to order at 4:00 p.m.

PRESENT

Council Member Brown Clarke, Chair
Council Member Yorko, Vice-Chair-excused
Council Member Houghton, Member
Council Member Hussain, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Brandon Waddell, City Attorney Office
Jim Smiertka, City Attorney
Karl Dorshimer, LEAP
Eric Pratt, LEAP
Derek Dalling, DED Development
Scott Gillespie, Gillespie Group
John Grettenberger Jr., LorAnn Oils, Inc.
Margarita Sanchez
Niki Barry
Dave Van Haaren, TriTerra
Ryan Wert, REO Town Commercial Association
Mark Quimby, SME

MINUTES

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM FEBRUARY 6, 2017 AS PRESENTED. MOTION CARRIED 3-0. .

PUBLIC COMMENT

Council Member Brown Clarke offered public a time to speak and offered them a time at each agenda item. There was no public comment at this time.

Council Member Brown Clarke had received communication from Ms. Stachowiak that she was not able to contact the owners at 4215 N Grand River Avenue on their rezoning request, so she had requested it be moved to the next meeting on March 20, 2017.

DISCUSSION/ACTION

RESOLUTION – Set Public Hearing; Brownfield Plan #67; 2200 Block Redevelopment Project, 2216-2224 E. Michigan Avenue

Mr. Pratt present to the Committee the plans for the redevelopment of the two properties located on E. Michigan. One was formally a gas station and the other a former auto repair shop. Currently both are vacant and have qualified for the Brownfield due to the contamination. The applicant proposes to remove the facilities and build a four (4) story mixed use project. This will be a \$7 million project that will result in 34 market rate residential units and under 10,000 sq. ft. of commercial mixed uses. If approved the applicant anticipates 15-20 new full time jobs and 20-30 construction jobs.

Mr. Gillespie presented the Committee with photos of the existing structures located at the corner of Hayford and Michigan Avenue. There is currently a storage tank on site that they are aware of and will know more about its condition once they begin construction. However, they are aware the soil will be removed as part of the Brownfield Plan. Mr. Gillespie then outlined the proposed building which will consist of street frontage, underground parking, an elevator to the 4th floor, 9,500 sq. ft. of commercial and 33 residential units ranging from studio, 1 bedroom to 2 bedroom all market rate homes. There is an option for additional residential units on the first floor if the demand for commercial is not present. Mr. Gillespie assured that his company did reach out to the neighborhoods during the planning stages, and also took some of the suggestions that were made during his other project, East Side, into play with this development. In the case of this development they have also met with AARP, and begun working with them on a plan for consideration as a AARP In-Place certified development and agent. This will not be considered a senior housing, but housing suitable for seniors. They will also not be considering marketing to students either.

Council Member Brown Clarke asked if the rear of the property would be designed for storm run off since the topography does slope from the street. Mr. Gillespie confirmed the front will be built at the sidewalk grade, and the rear will stay at the existing lower grade, however with the required surface lot drainage into catch basins they will meet requirements.

Council Member Hussain first acknowledged Mr. Gillespie for reaching out to Council Members and the neighborhoods on this development. He then asked how many vacancies were in his current project the Avenue housing, which Mr. Gillespie stated one. He added they are currently not leasing for East Side because it is not built out yet, but plan to have the first floor done in July, then 2nd floor in August, 3-4 floors in Septembers. Council Member Hussain then asked how many parking spaces would be provided at this project. Mr. Gillespie stated there would be 27 underground, and 30 on the surface lot for residents and the commercial uses.

Council Member Brown Clarke asked if there were any plans in the building for a common area for the residents to use. Mr. Gillespie stated that he had begun looking into that and vetting the idea.

Council Member Hussain asked Mr. Pratt what the \$523,000 in Due Care Activity in the Plan was for. Mr. Pratt stated it would be for site preparation, remediation of contaminates off site and disposal. Council Member Hussain then asked about the \$391,000 in infrastructure. Mr. Pratt stated those cover storm water management, fire suppression and those activities reimbursed by LEAP to the developer. Lastly, Council Member Hussain asked about the \$185,000 in contingency. Mr. Pratt stated that is to cover costs that they might know about yet, such as what they find when they move the soils. Council Member Hussain suggested the Mr.

Pratt or Mr. Dorshimer present information to the Committee of the Whole annually on how Brownfields, OPRA and other tax incentives work, are calculated and affect the City. Council Member Hussain also asked for LEAP representatives to provide Council Members with the TIF boundaries. Mr. Pratt stated that with this project, under PA 381, the Brownfield can capture 100% taxes and use those to pay for public improvements, however Lansing handles them different and chooses to capture 90% revenues using those to fund the improvements. Council Member Brown Clarke asked Mr. Pratt and Mr. Dorshimer to consider a cover sheet for the Brownfield that answer the standard questions and manage the expectations. Mr. Dorshimer confirmed he would do his best to highlight the details and percentages in the future.

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR THE BROWNFIELD PLAN # 67 FOR MARCH 27TH, 2017.
MOTION CARRIED 3-0

No public comment.

RESOLUTION – Set Public Hearing; Brownfield Plan #20a; LorAnn Oils, Inc., Amendment 1, 2017 Building Expansion, 4518 Aurelius Road

Mr. Pratt informed the Committee that this request was for an amendment to an existing Brownfield Plan from 2004. The expansion will allow the applicant to add a 3,000 sq ft warehouse, and 3,700 sq. ft. office space. The plan also will include the addition of .75 acres of land for better storm water runoff.

Mr. Grettenberger outlined his company, and the history of the business in that location. In his outline of the plan he stated the parking in the front will be moved to the rear along with a retention pond. Currently on the opposite of the property in the rear is the river. The property in the rear has been purchased dually with Dean Transportation.

Mr. Quimby presented a power point handout, and then went through the handout. This briefly detailed the history of the property going back to 1962. The first Brownfield was 2005 when the company renovated an existing 18.013 facility and added on 5,810 for increased office and production needs. At that time, there was \$914,700 in capital investment, 16 new full time jobs, and \$135,200 in eligible activities reimbursed with local taxes over 14 years. The investment outcome was \$1,121,000, and added investment in 2012 of \$452,000 and 20 more full time jobs through 2016. The proposed Brownfield Plan Amendment now is the purchase of .75 acres, two single story additions of approximately 3,220 sq. ft. for warehouse space, and 3,784 sq ft. for office space. The 2017 capital investment will be \$1,542,200 with 9 more jobs and \$143,000 in eligible activities. There will also be \$24,200 in LSRRF funded activities by LBRA (Local Brownfield Revolving Activities). The 2017 will add 11 years of capture, but an addition to state school taxes for reimbursement on the new eligible activities. There is a 90% capture with 10% pass-through in the taxing jurisdictions. LBRA will be first position to recover the contributions. Currently there is a vacant building on the opposite of the easement, however that owner is not ready to sell.

Council Member Brown Clarke asked if there would be run off from the expansion that could potentially impact the river directly behind the property. Mr. Quimby confirmed there were contaminates presently in the soil, but they were not leachable and that the contour of the basin would be constructed to manage the run off. By design, the basin will be constructed with porous materials, mainly sand, and therefore will act as a permeable area that will absorb any run off.

Council Member Hussain asked how many new jobs, and Mr. Grettenberger confirmed 9 with 3-4 high paying jobs.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR THE BROWNFIELD PLAN #20a FOR MARCH 27TH, 2017. MOTION CARRIED 3-0.

No public comment.

RESOLUTION – Set Public Hearing; OPRA District; DED Development, LLC, 629 W. Hillsdale

Mr. Pratt briefly outlined the plan for a 7 year OPRA for a \$570,000 investment to rehab and address environmental issues at former Fire Station #3. The key component will be asbestos, mold and lead removal, and remediation.

Mr. Dalling presented the Committee with photos of the current Fire Station #3 and a rendering of the proposed Fire Station #3 that will be used for his business of Kindsvatter Dalling & Associates, Inc. Their company is a lobbying firm that has recently seen growth in the region, out of the State business and national growth. The presentation noted the property had been vacant for seven (7) years, and is the only vacant building in that area. The structure itself is concrete, steel and brick. Due to the vacancy time, Mr. Dalling noted there is sustainable water and ice damage. The structure will house offices/work area on the first floor, and conference and training rooms on the second floor with a 3-season space on a portion of the rooftop. This position will allow for 2-3 new staff within the \$30/hour range.

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR THE OPRA DISTRICT FOR 629 W HILLSDALE FOR MARCH 27, 2017. MOTION CARRIED 3-0.

No public comment.

RESOLUTION – Set Public Hearing; OPRA Certificate; DED Development, LLC, 629 W. Hillsdale

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR THE OPRA CERTIFICATE FOR 629 W HILLSDALE FOR MARCH 27TH, 2017. MOTION CARRIED 3-0.

No public comment.

RESOLUTION – Set Public Hearing; OPRA District; Best Case ScenaREO, LLC; 1101 & 1103 S Washington Avenue

Mr. Pratt explained to the Committee that due to the unique nature of the request, they applicants are only requesting the District at this time. The property is two commercial buildings, connected internally, on the same parcel with the same legal. The applicants plan to separate the buildings with a fire rated stairwell, and split the parcel. To do that, they must first create the OPRA District before applying or obtaining any permits of their OPRA would not qualify. Once the District is established and the work is done along with the property split, each individual owner will come in and apply for the OPRA Certificates. The City Assessor has reviewed the properties and deemed them “more than 50% obsolete”, so they do qualify for the OPRA.

Mr. Wert and Ms. Sanchez presented the Committee with floor plans and renderings of the existing buildings and proposed uses. Mr. Wert stated that the property at 1101 S. Washington will be will be used for a proposed 40 seat brewery. The previous owners were Cinnaire, who had not done anything with the property after their purchase from dentist and dental lab. Both properties will need new mechanicals and a roof, as well as, minor environmental contamination clean up, mainly mold. Ms. Sanchez spoke on behalf of her son, Daniel Nunez the proposed owner of 1103 S. Washington, stating his use will be residential on the second floor and a ceramic studio on the first floor. There are currently two residential structures in the rear, and one will be eventually demolished and the lot made into additional parking, and the other one is currently being used and will remain a duplex.

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR THE OPRA DISTRICT FOR 1101 & 1103 S. WASHINGTON AVENUE FOR MARCH 27, 2017. MOTION CARRIED 3-0.

RESOLUTION – Set Public Hearing; Z-1-2017; 4215 N Grand River Avenue; “D-1” Professional Office to “F” Commercial District

This item was moved to March 20th agenda earlier in the meeting.

Adjourn at 5:12 p.m.

Submitted by, Sherrie Boak, Recording Secretary,
Lansing City Council

Approved by the Committee on March 20, 2017